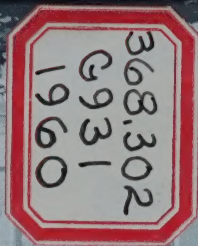


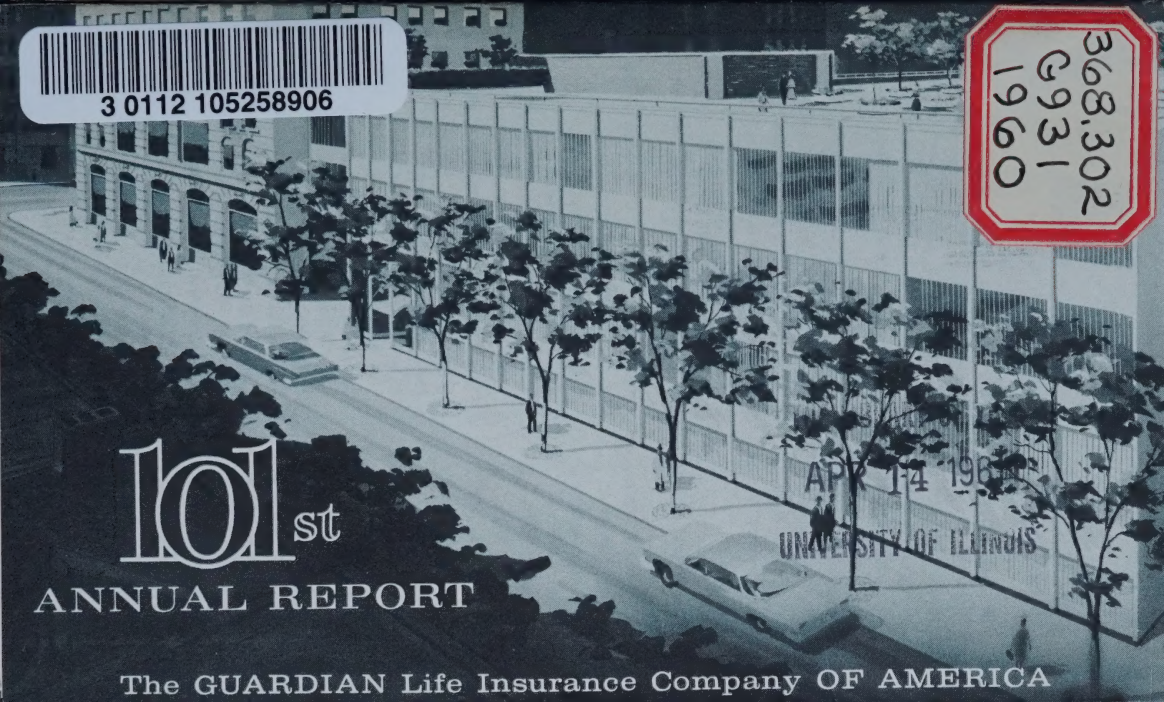


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101st ANNUAL REPORT

The GUARDIAN Life Insurance Company OF AMERICA



ON THE COVER is a rendering of the annex to your company's home office, now under construction. Cornerstone ceremonies were held last July at the time of Guardian's Centennial anniversary; at this writing it appears that the annex will be ready for our occupancy this summer.

Designed by Skidmore, Owings and Merrill, the annex will give us over 100,000 square feet of space on four floors, with provision for additional floors as needed. The building will provide a very flexible and efficient work area for our largest operating departments, and has a high capacity electrical system to permit the most effective use of modern electronic equipment.

THE TABLE on the right summarizes our first century of service to our policyholders; it shows that The Guardian has paid benefits, and now holds for the future payment of benefits, a total that is nearly *one hundred million dollars greater* than the sum of the premiums paid by policyholders since the company was organized.

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1960

Over a Century of Stewardship (to December 31, 1960)

Total Benefit Payments to policyholders and their beneficiaries since THE GUARDIAN's organization on July 16, 1860	\$ 672,295,000
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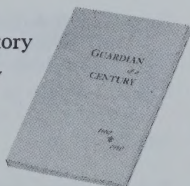
Assets held for future payments to policyholders and their beneficiaries	<u>509,435,000*</u>
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Total paid and held for future payment	\$1,181,730,000
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Premiums paid by policyholders since THE GUARDIAN's organization on July 16, 1860	\$1,082,493,000
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*The asset figure used in this summary is less than the admitted assets shown in our balance sheet, because we have omitted from the total held for policyholders' benefits, money that will be used to pay expenses and taxes.

In conjunction with our Centennial anniversary we prepared a brief history of your company. We will be happy to send you a copy of "GUARDIAN OF A CENTURY" on request.



SUMMARY OF RESULTS

	1960	ONE YEAR AGO	TEN YEARS AGO
Paid to Beneficiaries and Policyholders (Including Dividends)	\$ 45,458,000	\$ 43,886,000	\$ 18,438,000
Added to Policyholders' Reserves and Surplus	21,783,000	19,323,000	18,527,000
TOTAL	67,241,000	63,209,000	36,965,000
Set Aside for Dividends to be Paid to Policyholders next year	9,500,000	8,500,000	3,500,000
Received from Policyholders and Beneficiaries	67,402,000	62,197,000	33,146,000
Income from Investments	20,744,000	19,298,000	8,546,000
Expenses of Operation excluding Taxes	15,002,000	13,440,000	4,998,000
Federal, State and Local Taxes and Fees	3,960,000	3,591,000	815,000
New Individual Life Insurance	234,505,000	227,657,000	106,010,000
New Group Life Insurance	75,797,000	59,213,000	538,000
New Individual Accident and Health Premiums	1,384,000	1,216,000	0
New Group Accident and Health Premiums	1,485,000	885,000	0
Life Insurance in Force	1,952,310,000	1,778,297,000	898,832,000
Assets	517,051,000	491,936,000	298,400,000
Policyholders' Surplus for General Contingencies	34,315,000	32,998,000	16,859,000

Comparison with figures of a decade ago is dramatic illustration of company's growth and the need for the new annex

Benefit payments more than double

Investment Income up by 142.7%

Expenses have risen sharply during this inflationary period, and taxes have nearly quintupled

Our insurance in force should pass the two billion mark in April, 1961

Assets up by more than 200 million dollars

To our Policyholders:

Despite some softening in the general business economy, your company's Centennial year was an outstanding one—especially in the purchases of new Life insurance, which exceeded the three hundred million mark for the first time in Guardian history. Excellent gains were recorded in individual Health insurance sales, which the company first offered in 1952, and in the Group insurance plans added in 1957.

Net earnings for 1960, after provision for Federal Income Taxes, amounted to \$11,006,000, up 8.3% over the previous year. Of this amount, \$9,500,000 has been allocated for dividends to policyholders. This represents an increase of 11.7% over the amount paid in 1960, and is nearly three times as large as the dividend payments to policyholders just ten years ago. Part of the increase, of course, is due to the large increase in our insurance in force over the decade, but a substantial portion reflects the favorable results that have enabled us to increase our dividend scale progressively during the last ten years.

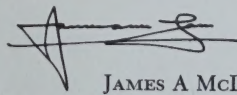
In a mutual company like The Guardian, with no stockholders, all gains from operations benefit the policyholders. A portion of the earnings is customarily used to strengthen reserves or policyholders' surplus as an extra measure of safety for future contingencies; the addition of \$1,317,000 to surplus for general contingencies at the end of 1960 brought those funds to \$34,315,000, which is 7.2% of our liabilities. Most of the earnings are paid or credited as policyholder dividends, which are a return of a portion of the premium paid.

Dividends may be taken by the policyholder in cash; or applied to reduce the next premium due; or left with the company to accumulate at interest (current rate

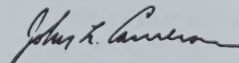
of interest is 3.5%); or used to purchase paid-up insurance, which provides additional protection for your loved ones without increasing your premium payments.

Including dividends, benefit payments to policyholders last year amounted to \$27,409,000; beneficiaries of Guardian policyholders received a total of \$18,049,000. This breakdown illustrates why cash value insurance is such an excellent investment for the average young family. If premature death strikes the breadwinner, his family receives many times the amount paid in premiums. Should he live to retirement age, his policy will usually return more to him than the total of his premium payments—particularly if he has allowed his dividends to accumulate with the company at interest.

It seems particularly appropriate, in closing the record of our first century, to acknowledge the invaluable counsel and assistance of your board of directors; to pay tribute to the men and women in our field force and home office for their contributions to company progress and their devotion to the best interests of our policyholders and their beneficiaries; and to thank you for your confidence in The Guardian. We will continue in this new century, as we have in the past, to do our utmost to justify that confidence.



JAMES A. McLAIN
Chairman of the Board



JOHN L. CAMERON
President

February, 1961

FINANCIAL OPERATIONS during 1960

The following statement of financial operations has been prepared from the official Financial Statement submitted to the Insurance Departments of all 50 states and the District of Columbia. It is in somewhat less technical form than the official statement. For the statement, securities are carried at values prescribed under recommendation of the National Association of Insurance Commissioners.

INCOME	1960	1959
Received from policyholders and beneficiaries	\$67,401,901	\$62,196,854
Net investment income before Federal Income Tax	20,744,541	19,297,960
Adjustment from change in statement value of investments and in investment reserves	(-384,547)	38,940
Miscellaneous income	290,196	338,171
	<hr/>	<hr/>
	\$88,052,091	\$81,871,925
DISPOSITION OF INCOME		
Payments to beneficiaries and policyholders	37,211,214	36,150,756
Dividends set aside for payment to policyholders in the following year	9,500,000	8,500,000
Added to policyholders' reserve funds	20,440,980	18,589,848
Expenses of operation excluding taxes	15,001,832	13,440,316
Federal, state and local taxes and fees	3,960,658	3,590,587
Loss on investments sold or matured	235,826	632,955
Reserve deposits paid to reinsurance company	359,572	234,710
Added to allocated surplus funds	25,000	(-380,369)
Added to policyholders' surplus for general contingencies	1,317,009	1,113,122
	<hr/>	<hr/>
	\$88,052,091	\$81,871,925

BALANCE SHEET as of Dec

ASSETS

Bonds valued at

First Mortgages on real estate of —
\$100,979,300 are V. A. loans, and
\$56,342,935 carry the F.H.A. guaranty

Real Estate valued at —
including properties for
company use of \$5,077,363

Transportation Equipment leased to
various corporations

Stocks valued at

Loans made to policyholders on the
security of the value of their policies

Cash on hand and deposited in banks

Interest and Rents earned but not yet
collected

Premiums in course of collection
and unpaid instalments of premiums
payable other than annually of

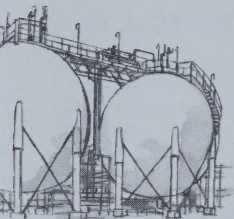
*Provision is made in our policy reserves
for any of these premiums which may
not be paid.*

Other assets

TOTAL ASSETS

*A list of the securities owned by your company on
December 31, 1960 will be sent to you on request.*

1960	1959	LIABILITIES, SURPLUS AND OTHER FUNDS	1960	1959
\$236,489,071	\$228,247,182	Reserves for Future Benefits under policies and for matured policy benefits payable in instalments	\$423,994,126	\$405,285,423
205,832,861	195,639,584	Death Benefits and other policy benefits in course of payment, including an amount to cover claims not yet reported	2,387,378	1,975,594
12,811,521	12,161,976	Dividends of policyholders held at interest	29,878,177	28,159,001
9,081,706	8,322,427	Dividends of policyholders in course of payment	582,459	510,004
2,952,357	3,048,151	Dividends apportioned for distribution to policyholders in the following year	9,500,000	8,500,000
32,657,007	28,764,352	Premiums paid but not yet due	2,553,890	2,484,416
4,818,939	4,835,106	Interest and Rents paid but not yet due	919,682	860,874
3,512,253	3,192,068	Estimated amount of expenses payable	424,687	353,581
		Estimated amount of taxes payable	3,568,359	2,435,764
8,653,642	7,648,935	Amounts received subject to refund or allocation including income taxes and Social Security taxes withheld	2,281,908	2,083,143
		Investment valuation reserves	1,921,685	1,616,708
242,142	76,198	Other liabilities	617,467	591,799
\$517,051,499	\$491,935,979	TOTAL LIABILITIES	\$478,629,818	\$454,856,307
		POLICYHOLDERS' SURPLUS		
		Allocated Surplus Funds	4,107,000	4,082,000
		Surplus for General Contingencies	34,314,681	32,997,672
		TOTAL LIABILITIES, SURPLUS AND OTHER FUNDS	\$517,051,499	\$491,935,979



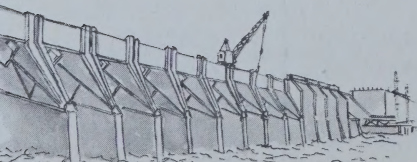
DOLLARS AT WORK

Many Guardian dollars serve as working capital for industry, helping create the jobs and produce the goods that give America the highest standard of living the world has ever known; other dollars finance the construction of homes and apartment houses to shelter many families; still others help utility companies expand their vital services for our rapidly growing population.

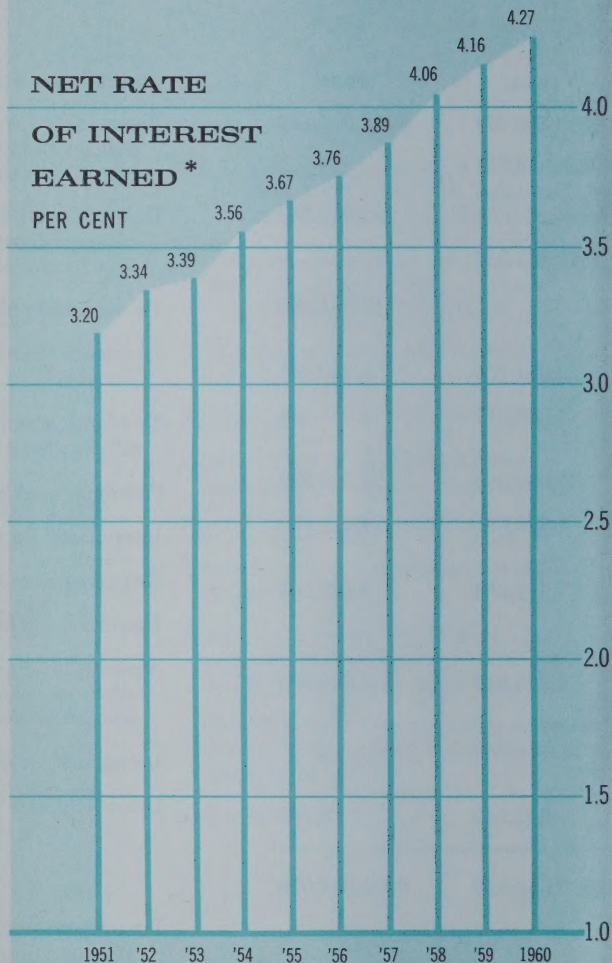
While these dollars are helping provide essential goods and services for you and your neighbors, they are working for you. The "arithmetic" of life insurance—the computation of such figures as the premium you pay and the guaranteed cash value of your policy—is based on several conservative assumptions, including interest earnings from investment.



When earnings are better than the rate assumed (and Guardian's have been substantially so in recent years, as the chart on the right indicates), the excess investment income contributes importantly to the dividends which reduce the cost of your insurance protection.



NET RATE OF INTEREST EARNED * PER CENT



*The net rate earned on Guardian investments in 1960, after allowing for investment expenses but before Federal Income Taxes, was 4.27%—well above the average for the life insurance industry.

Aberdeen, Wash. R. J. PREBLE, Becker Building
Albany, N. Y. A. J. MERIN, C.L.U., National Savings Bank Bldg.
Arcadia, Cal. EVANS-WHITE, 650 W. Duarte Rd.
Atlanta, Ga. H. T. GREEN, C.L.U., 46 Fifth St., N. E.
Baltimore, Md. G. J. HUNTLEY, JR., Standard Oil Bldg.
Binghamton, N. Y. H. W. KING, 99 Hawley Street
Birmingham, Ala. KIRKLAND & COPELAND, Jackson Building
Boston, Mass. HARRY ROSS, JR., 480 Boylston Street
Brooklyn, N. Y. HAIBLUM-WARSHAUER, 186 Joralemon St.
Buffalo, N. Y. W. R. EAVENSON, C.L.U., Walbridge Bldg.
Charlotte, N. C. J. K. POWELL, City Savings Bank Bldg.
Chicago, Ill. R. W. JANSON, One North LaSalle
 A. D. ROSENTHAL, C.L.U.,
 135 South LaSalle
Cincinnati, Ohio T. S. MUIR, C.L.U., Federal Reserve Bank Bldg.
Cleveland, Ohio W. J. REILLY, C.L.U., B. F. Keith Bldg.
Columbia, S. C. D. H. BURNS, Insurance Bldg.
Columbus, Ohio The Bryson Building
Dallas, Texas E. E. DALE, Wilson Bldg.
Denver, Colo. T. G. HERBERT, Security Bldg.
Detroit, Mich. J. V. SHAFER, 10635 W. McNichols Rd.
Evansville, Ind. LEVI BROTHERS, Metropolitan Bldg.
Fall River, Mass. MAURY KUSINITZ, C.L.U., 17 Second St.
Fargo, N. D. M. J. BERG, Edwards Bldg.
Flushing, N. Y. BLUMENCRAZ, KLEPPER & WILKINS
 136-31 41 Ave.
Fort Smith, Ark. J. M. ANDREWS, JR., Merchants National Bank Bldg.
Fort Worth, Texas C. E. DUNLAP, W. T. Waggoner Bldg.
Garden City, N. Y. MORRIS WALD, 110 Seventh St.
Greensboro, N. C. Guilford Bank Bldg.
Hartford, Conn. J. E. FAY, 650 Farmington Ave.
Hicksville, N. Y. KRAUSS-GOLDBERG, 20 Jerusalem Ave.
Houston, Texas I. R. BROWN, Hermann Professional Bldg.
Indianapolis, Ind. G. E. TIFFANY, Circle Tower
Jacksonville, Fla. R. E. LEE, 1628 San Marco Blvd.
Kansas City, Mo. S. H. GOODMAN, C.L.U.,
 4215 Baltimore Ave.

Los Angeles, Cal. C. P. HOUSEMAN, C.L.U.,
 609 S. Grand Ave.
 J. A. SPEED, 611 S. Catalina
Louisville, Kentucky . . Starks Bldg.
Memphis, Tennessee . . B. E. GLASGOW, DuPont Bldg.
Miami, Fla. E. J. MUNC, 101 E. Flagler St.
 R. S. POMEROY, III, C.L.U.,
 335 South West 27 Ave.
Milwaukee, Wis. DAVIS WAKEFIELD, Bockl Bldg.
Minneapolis, Minn. . . . G. M. REMOLE, 2649 Park Ave.
Montgomery, Ala. A. P. ELEBASH, C.L.U., Leu Bldg.
Mountain View, Cal. . . MINKLER & HERZOG, 361 Castro St.
Newark, N. J. T. B. BRASSIL, Federal Trust Bldg.
 J. I. KISLAK LIFE AGENCY,
 581 Broad St.
 ROBERT KRUH, National Newark Bldg.
New Brunswick, N. J. . . A. E. S. ZIELINSKI, 75 Paterson St.
New Haven, Conn. RONALD ZIMMERMAN, 26 Grove St.
New Orleans, La. S. W. RYAN, C.L.U., American Bank Bldg.
New York, N. Y. W. S. COLLINS, 201 Park Avenue South
 THE GROGAN AGENCY, 500 Fifth Ave.
 PAUL GOODMAN, C.L.U.,
 292 Madison Ave.
 SAMONS-PRESS, 660 Madison Ave.
 SPAULDER, WARSHALL & SCHNUR,
 123 William St.
Niagara Falls, N. Y. . . . JOHN P. HANCOCK & Co., Inc.,
 1301 Pine Ave.
Norfolk, Va. R. S. REINHARDT, Franklin Bldg.
Oakland, Cal. J. L. McDONNELL, Financial Center Bldg.
Oklahoma City, Okla. . . Hightower Bldg.
Omaha, Neb. R. W. PASKINS, First National Bank Bldg.
Orange, N. J. W. R. HUNTINGTON, 3rd, C.L.U.,
 116 Main St.
Orlando, Florida L. O. ANDERSON, 1011 E. Colonial Drive
Paterson, N. J. M. S. KAPLAN, 265-267 Main St.
Philadelphia, Pa. S. M. BAER, 1415 Locust St.
 G. S. HAMMOND, Philadelphia
 National Bank Bldg.
 A. W. SONES, 5921 Old York Rd.
Phoenix, Ariz. D. M. QUAIN, 3500 N. Central Ave.

Guardian Offices, CONTINUED

Pittsburgh, Pa.	A. J. HARVEY, Clark Bldg.
Portland, Ore.	M. L. WILLIAMS, Wilcox Bldg.
Providence, R. I.	EVERETT BERLINSKY, C.L.U., Industrial Bank Bldg.
Red Bank, N. J.	G. A. HOLLYWOOD, 759 Broad St. (Shrewsbury)
Reno, Nev.	McDOWELL, SCHOUWEILER & GUIO, 527 Humboldt St.
Richmond, Va.	S. W. O'NEILL, Insurance Bldg.
Rochester, N. Y.	Commerce Bldg.
Sacramento, Cal.	R. F. WOLLESEN, Eleventh & L Bldg.
St. Louis, Mo.	R. D. ALLEN, Ambassador Bldg.
St. Paul, Minn.	H. D. O'MALLEY, C.L.U., Guardian Bldg.
San Antonio, Texas	O. J. STEVENSON, Petroleum Commerce Bldg.
San Diego, Cal.	E. L. SOUDER, JR., 2901 Fifth Ave.
San Francisco, Cal. . . .	S. B. BROOKS, C.L.U., 111 Sutter Bldg.
San Jose, Cal.	V. N. BAXTER, 1760 The Alameda CLARK INS. AGENCY, 454 Meridian Rd.
Seattle, Wash.	R. W. HILL, Securities Bldg.
Shreveport, La.	M. W. MAFFETT, Giddens-Lane Bldg.
Spokane, Wash.	V. E. GOODWIN, Spokane & Eastern Bldg.
Springfield, Mass. . . .	14 Maple Street
Stamford, Conn.	PIERSON & SMITH, 67 Broad St.
Syracuse, N. Y.	G. S. MURDOCK, Syracuse-Kemper Bldg.
Tampa, Fla.	J. C. MILLS, C.L.U., Tampa Theatre Bldg.
Toledo, Ohio	E. P. BROOKS, 1120 Madison Ave.
Tulsa, Okla.	R. E. DAWSON, C.L.U., National Bank of Tulsa Bldg.
Washington, D. C. . . .	C. W. O'DONNELL, C.L.U., 1300 Connecticut Ave., N.W.
Wheeling, W. Va.	S. L. GUNTER, JR., 75 Twelfth St.
White Plains, N. Y. . . .	H. A. DEPPE, 230 Main St.
Wichita, Kan.	H. E. FLECK, 2811 E. Douglas St.
Worcester, Mass.	J. W. NORTON, C.L.U., 51 Elm St.

The GUARDIAN Life Insurance Company OF AMERICA

HOME OFFICE

PARK AVENUE SOUTH AT SEVENTEENTH STREET

NEW YORK 3, N. Y.